

MICHAEL FIELDS
AGRICULTURAL INSTITUTE



March 2, 2010

To: Chairperson Garthwaite and Members of the Assembly Committee on Rural Economic Development

From: Bridget Holcomb, Associate Policy Director for Michael Fields Agricultural Institute

Re: AB 782 – Local Food, Farms and Jobs

Thank you for considering AB 782: the Local Food, Farms and Jobs Act.

Local foods are a highly effective tool for economic development, increasing revenues for our farmers and other rural entrepreneurs, creating jobs, and keeping dollars circulating in the local economy.

Local foods create jobs, increase revenue, and create revenue for the state: According to modeling done by Dr. Steven Deller, faculty with the Department of Agricultural and Applied Economics at the University of Wisconsin – Madison, for every \$100,000 of new sales of local food, a total of 2.2 jobs will be created, almost \$77,000 in income and just over \$7,000 in state and local taxes.

Local foods keeps dollars circulating in the state: According to the Wisconsin Department of Agriculture, Trade and Consumer Protection, for a typical community a dollar spent locally circulates in a local economy 2-3 times before leaving the community. By shifting just 10% of consumer food spending to locally produced products, consumers will contribute nearly \$2 billion to local communities and annually re-circulate dollars upwards of \$3.8 billion by 2010.

Wisconsin has already seen proof of the economic development potential of local foods in the state. The recently created Buy Local Buy Wisconsin grant program's initial \$225,000 investment generated over a half million dollars in increased local food sales in the first six months alone. This revenue supported farmers and rural businesses while helping to meet the demand for local foods within the state.

As AB 782 is expected to be significantly changed through amendments, Michael Fields Agricultural Institute is currently not taking a position on the bill. However, we are grateful to Chairperson Garthwaite for his ongoing support of local foods and we look forward to continuing to work with him and other supporters on this bill.



State of Wisconsin
Jim Doyle, Governor

Department of Agriculture, Trade and Consumer Protection

Rod Nilsestuen, Secretary

Date: March 2, 2010

To: Distinguished Members of the Committee on Rural Economic Development

From: Teresa Cuperus, Buy Local, Buy Wisconsin Program Manager
Lora Klenke, Agricultural Market Development Bureau Director
Agricultural Market Development Bureau
Division of Agricultural Development
Wisconsin Department of Agriculture, Trade & Consumer Protection

RE: Assembly Bill 782

Thank you for permitting the Department of Agriculture, Trade and Consumer Protection the opportunity to submit information regarding AB782.

Supporting the growth of locally grown food positively impacts farmers, communities, consumer nutrition, and Wisconsin's economy. DATCP would like to take this opportunity to thank the Wisconsin legislature for the continued support of local food system development.

Currently, DATCP administers the Buy Local, Buy Wisconsin (BLBW) program, an economic development program passed in the Governor Doyle's 07-09 biennial budget. BLBW is designed to increase the purchase of Wisconsin grown/produced food products for sale to local purchasers. The program objectives include:

- 1) Identifying and addressing hurdles facing regional food system development: distribution, processing, access to markets, lack of state policy, and institutional purchasing;
- 2) Consolidating, coordinated efforts to bring new market opportunities for producers, increasing farm income; and
- 3) Developing programs and resources for Wisconsin's local food producers.

These objectives are met through a number of program elements including:

- Buy Local, Buy Wisconsin Advisory Group - The BLBW program is supported by a statewide advisory group with members representing many of the organizations outlined in AB 782. The BLBW advisory group has been active in assisting DATCP staff in program development and in providing direction for the growth of regional food systems.
- Buy Local, Buy Wisconsin Grant Program - Many of the BLBW grant recipients are addressing institutional food procurement barriers with innovative projects and are demonstrating success. Just recently, the Institutional Food Market Coalition (IFM) was awarded \$35,000 to increase local food sales by sharing best practices for selling to institutions with growers and aggregators, and working with local partners to connect growers, produce distributors and institutional buyers in southern Wisconsin.
- WI Local Food Marketing Guide - A step by step guide for local food producers interested in entering local food markets.
- Producer's First - One-on-one technical assistance program for local food producers.
- Buy Local, Buy Wisconsin Workshop Road Shows - Intensive day long workshops.

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- designed to reduce barriers for local food producers.
- WI Food Safety Assessment for fruits and vegetables - Contracting with FamilyFarmed.org to identify food safety barriers and implement solutions.
- WI State-wide Farm to School Programming - Partnering with DHS, DPI, CIAS, REAP, AmeriCorps Farm to school, and many others to create statewide farm to school programs.
- BLBW supports and works in coordination with additional DATCP local food programs including: Something Special from Wisconsin, Savor Wisconsin, and the AmeriCorps Farm to School Program.

DATCP would like to provide the following information in regards to AB 782.

- 1) DATCP recommends that the bill removes the creation of the Local, Food, Farms, and Jobs Council and instead utilizes the existing BLBW advisory council to provide administrative efficiencies and avoid duplication of efforts. It should also be noted that in order for the council to meet the intent of the bill, additional resources in staff time, and supplies and services would be necessary (see fiscal estimate for details).
- 2) DATCP recommends striking the language in section 3. 16.75 (3p) (d) and replacing with language that reflects the intent found in the "geographic preferences in procurements for the child nutrition programs" language found in Section 4302 of P.L. 110-246 amended section 9(j) of the National School Lunch Act to require the Secretary of Agriculture to encourage institutions operating the Child Nutrition Programs to purchase locally raised agriculture products. This program has proved to be useful for Wisconsin schools and may be useful if expanded beyond the Child Nutrition Programs and include other state agencies.
- 3) DATCP recommends further defining local food in section 4. 93.49 (1) (b) The Buy Local, Buy Wisconsin grant program uses the following definition: Wisconsin food products: "Food product" means an unprocessed commodity or processed product that is used for drink by humans. "Food product" includes a food product ingredient. "Wisconsin food product" means a food product that is one of the following: grown in this state; produced from animals kept in the state; or primarily derived from food products that are grown in this state or produced from animals kept in this state.
- 4) DATCP recommends clarifying Section 4. 93.49 (2) (b)-(br). As written, DATCP assumes that council staff will provide communication and coordination efforts to get information to relevant entities and will not provide technical assistance or do actual tracking activities. DATCP needs clarification if this assumption is correct.
- 5) DATCP recommends striking Section 4. 93.49 (2) (i): "Set annual goals for the purchase of local food products by residents of this state and evaluate progress toward meeting the goals." This would require a survey and tracking system that is not in existence and the resources needed far outweigh the benefits gained.

Thank you for the opportunity to provide comments regarding AB782.